GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2079
ANSWERED ON:05.08.2005
SERVICE TAX
Kharventhan Shri Salarapatty Kuppusamy

Will the Minister of FINANCE be pleased to state:

(a) the number of services to which Service Tax was initially introduced;

(b) the number of services to which Service Tax is extended till now;

(c) the revenue generated through Service Tax during the last three years and the expected revenue through Service Tax during the current year;

(d) whether in the Telecom Service, the Service Tax is also levied on the rent of the fixed telephone instrument rather than the actual service, i.e. call charges;

(e) if so, whether the Government has any plan to withdraw the Service Tax on the rent of the telephone; and

(f) if not, the reasons therefor?

Answer

Minister of State In the Ministry of Finance (SHRI S.S. PALANIMANICKAM)

(a) Service tax was introduced in budget 1994 on three services.

(b) At present, service tax is leviable on eighty four services specified under section 65(105) of the Finance Act, 1994. The Budget Estimate for 2005-06 is Rs. 17,500 crore.

(c) The revenue collected from service tax during the last three financial years is as under:

Year	Revenue (in crore Rs)
2002-03	4122
2003-04	7891
2004-05 (provisional)	14,134

(d) The value of the taxable service for the purpose of levying service tax is the gross amount charged by the service provider of such service provided or to be provided by him.

(e) and (f) At present, there is no proposal under the consideration of the Government to exempt service tax on the rent of the telephone since service tax is leviable on the gross amount charged by the service provider.